

Message Text

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PAGE 01 TURIN 00024 171623Z

ACTION COME-00

INFO OCT-01 EUR-12 ISO-00 EB-07 TRSE-00 AID-05 CIAE-00

INR-07 NSAE-00 L-03 PRS-01 /036 W

-----171710Z 067663 /43

R 171520Z JAN 77

FM AMCONSUL TURIN

TO SECSTATE WASHDC 0659

INFO AMEMBASSY ROME

AMCONSUL MILAN

AMEMBMASSY PARIS

AMCONSUL MARSEILLES

UNCLAS TURIN 0024

E.O. 11652: N/A

TAGS: ECON, BEXP, IT

SUBJ: ANOTHER SMALL U.S. FIRM IN TURIN DISTRICT LIQUIDATES

1. CONSULATE HAS BEEN INFORMED BY AMERICAN CHAMBER OF
COMMERCE BRANCH IN TURIN THAT ANOTHER U.S. SUBSIDIARY IN
OUR DISTRICT INITIATED LIQUIDATION PROCEDURES DECEMBER 16,
1976. THE COMPANY, MMS INTERNATIONAL, S.P.A., IS A JOINT
VENTURE INVOLVING BELGIAN, ITALIAN, AND AMERICAN INTERESTS
FORMED MARCH 12, 1974 WITH A STAFF OF 40 EMPLOYEES. AS OF
DECEMBER, 1976 ITS STOCK CAPITAL WAS ESTIMATED AT 23
MILLION LIRE (CA. 27,000 DOLS). COMPANY MANUFACTURES
MISCELLANEOUS ADVERTISING ARTICLES FOR PROMOTIONAL
PURPOSES. MEASURED MARKETING SERVICES, SANTA MONICA, CAL.,
HAS CONTROLLING INTEREST IN THE COMPANY.

2. TURIN REPRESENTATIVE OF AM. CH. INFORMS US THAT
COMPANY'S DECISION TO LIQUIDATE RESULTED FROM SEVERAL
SERIOUS PROBLEMS. FIRM EXPORTED 90 PERCENT OF ITS PRODUC-
TION THROUGHOUT EUROPE AND ITS COMMERCIAL SALES OFFICES
ARE LOCATED IN CANNES, FRANCE. FOR THIS REASON THEIR TELEPHONE
COSTS WERE EXTREMELY HIGH. IN ADDITION, POOR POSTAL
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SERVICING FACILITIES HERE MADE IT DIFFICULT TO CONTACT
THEIR CLIENTS. RECENTLY FIRM ALSO BEGAN TO HAVE PROBLEMS
WITH LABOR UNIONS. THE COMPANY FINALLY DECIDED THAT
COST OF OPERATION WAS TOO HIGH IN TURIN AND INITIATED
LIQUIDATION PROCEDURES. THEY DISMISSED LOCAL STAFF OF
40 ON JANUARY 2.

3. COMPANY NOW PLANS TO SET UP NEW PLANT IN CANNES NEAR THEIR COMMERCIAL OFFICES. MR. ALBERT LUCKY, MANAGER OF COMPANY, IS FIRM S ONLY REMAINING EMPLOYEE IN TURIN. CONSULATE HAS ATTEMPTED TO CONTACT MR. LUCKY FOR FURTHER DETAILS ON LIQUIDATION BUT HAS BEEN UNABLE TO REACH HIM. LOCAL LABOR UNION ORGANIZATIONS MAINTAIN THAT COMPANY S DECISION TO LIQUIDATE IS ARBITRARY ... AND IN VIOLATION OF THE ITALIAN EMPLOYMENT LAW PROTECTING FACTORY WORKERS. MOREOVER, UNIONS HAVE DESCRIBED U.S. FIRM S ATTITUDE AS SIMILAR TO THE BEHAVIOR OF OTHER MULTINATIONAL (COMMENT: READ AMERICAN) ENTERPRISES IN ITALY, AND MORE SPECIFICALLY IN TURIN PROVINCE.

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Message Attributes

Automatic Decaptoning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: BUSINESS LOSSES, BANKRUPTCIES
Control Number: n/a
Copy: SINGLE
Sent Date: 17-Jan-1977 12:00:00 am
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Decaption Note:
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Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
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Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Drafter: n/a
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Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770017-0042
Format: TEL
From: TURIN
Handling Restrictions: n/a
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Legacy Key: link1977/newtext/t19770144/aaaabmig.tel
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Original Classification: UNCLASSIFIED
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Original Previous Classification: n/a
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Review Exemptions: n/a
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Status: NATIVE
Subject: ANOTHER SMALL U.S. FIRM IN TURIN DISTRICT LIQUIDATES
TAGS: ECON, BEXP, EINV, IT, US, MMS INTL
To: STATE
Type: TE
vdkvgwkey: odbc://SAS/SAS.dbo.SAS_Docs/9a36dbd5-c288-dd11-92da-001cc4696bcc
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